

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF NEW YORK**

MERCHANTS BANK OF INDIANA,

Plaintiff,

v.

SPROUT MORTGAGE, LLC,

Defendant.

Civil Action No. 2:22-cv-04480-GRB-SIL

**DECLARATION OF JASON NORDYK**

Jason Nordyk, being duly sworn, deposes and says:

1. I am an adult, am legally competent to execute this affidavit and have personal knowledge of the facts stated herein.
2. I currently serve as Executive Vice President and Chief Risk Officer of at PR Mortgage Investment ("PRMI").
3. Part of my duties and responsibilities for PRMI include, but are not limited to, evaluation of prospective mortgage origination counterparties; working with counterparties and service providers to facilitate the credit and operational processes related to the acquisition of residential mortgage loans; establishing credit guidelines for loan acquisitions; and ongoing monitoring of loan performance.
4. As part of my duties and responsibilities for PRMI, I interacted with Merchants Bank of Indiana ("Merchants") and also interacted with Sprout. I understand that Merchants purchased from Sprout Mortgage, LLC ("Sprout") a mortgage loan entered into between Sprout and Eva C. Ganz and William E. Oldenhoff (the "Borrowers") for the principal amount of \$1,215,000.00 (the "Mortgage Loan").
5. In connection with my duties and responsibilities for PRMI and working relationship with Merchants and Sprout, I assisted with the transition of the ownership of the

Mortgage Loan from Sprout to Merchants. I directly communicated with Sprout employees regarding the payoff of the Mortgage Loan and the expected remittance of the payoff proceeds to Merchants.

6. On April 29, 2022, Amanda Wakefield, a Servicing Manager at Sprout, confirmed in writing that Sprout received a payoff for the full outstanding balance of the Mortgage Loan. A true and accurate copy of the email exchange with Ms. Wakefield is attached as Exhibit C-1.

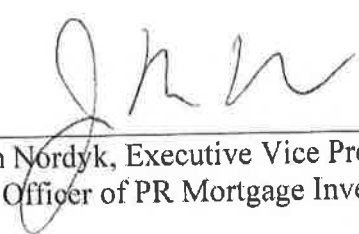
7. On June 8, 2022, I followed up in writing with Ms. Wakefield, David Akre (Executive Vice President of Sprout), and Vinh Luu (Vice President of Loan Servicing at Sprout) to let them know Merchants still had not received the payoff funds from the Mortgage Loan. A true and accurate copy of my email exchange is attached as Exhibit C-2.

8. That same day, Mr. Luu informed me in writing that he still was waiting on executive approval to wire the funds to Merchants and that he and Ms. Wakefield had escalated the matter to Sprout's CEO. *See* Exhibit C-2.

9. On June 21, 2022, Mr. Luu informed me in writing that the wire transfer for the payoff of the Mortgage Loan still had not been processed. *See* Exhibit C-2.

10. On July 6, 2022, I spoke with Mr. Luu over the phone. Mr. Luu told me that Sprout's CEO, Michael Strauss, still had not approved the wire transfer payment to Merchants. Mr. Luu also expressed to me that (a) no outgoing wire transfers of Sprout occurred without the approval of Mr. Strauss and (b) Mr. Luu knew of no legitimate reason why the wire to Merchants should not be approved by Mr. Strauss. *See* Exhibit C-2.

I AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE FOREGOING  
REPRESENTATIONS ARE TRUE AND CORRECT.

  
Jason Nordyk, Executive Vice President and Chief  
Risk Officer of PR Mortgage Investment

Date: 11/16/22

STATE OF New Jersey )  
 ) SS:  
COUNTY OF Burlington )

Before me, a Notary Public in and for said County and State, personally appeared Jason Nordyk, who, having been duly sworn, acknowledged the execution of the foregoing Declaration of Jason Nordyk, and affirmed under penalties of perjury that the statements contained therein were true to the best of his knowledge and belief.

WITNESS my hand and Notarial Seal this 16<sup>th</sup> day of November, 2022.

DENISE CONLEY  
Commission # 2421797  
Notary Public, State of New Jersey  
My Commission Expires  
June 11, 2027

Place notary seal/stamp within this area

  
Notary Public Signature

  
Notary Public Printed

My Commission Expires:

June 11, 2027

My County of Residence:

Burlington

